

(e) Provide advice and recommendations to procurement and contract administration personnel on:

(1) Acceptability of costs incurred under redeterminable, incentive and similar type contracts.

(2) Acceptability of incurred costs and estimates of cost to be incurred as represented by contractors incident to the award, negotiation, modification, change, administration, termination, or settlement of contracts.

(3) Adequacy of financial or accounting aspects of contract provisions.

(4) Adequacy of contractors' accounting and financial management systems, adequacy of contractors' estimating procedures and adequacy of property controls.

(f) Assist responsible procurement or contract administration activities in their surveys of the purchasing-procurement systems of major contractors.

(g) Direct audit reports to the Government management level having authority and responsibility to take action on the audit findings and recommendations.

(h) Cooperate with other appropriate Department of Defense components on reviews, audits, analyses, or inquiries involving contractors' financial position or financial and accounting policies, procedures, or practices.

(i) Establish and maintain liaison auditors as appropriate at major procuring and contract administration offices.

(j) Review General Accounting Office reports and proposed responses thereto which involve significant contract or contractor activities for the purpose of assuring the validity of appropriate pertinent facts contained therein.

(k) In an advisory capacity, attend and participate, as appropriate, in contract negotiation and other meetings which contract cost matters, audit reports, or related financial matters are under consideration.

(l) Provide assistance, as requested in the development of procurement policies and regulations.

(m) Perform such other functions as the Assistant Secretary of Defense (Comptroller) may from time to time prescribe.

#### § 387.5 Authority.

The Director, DCAA, is specifically delegated authority to:

(a) Have free and unrestricted access to and direct communication with all elements of the Department of Defense and other executive departments and agencies as necessary.

(b) Establish Defense Contract Audit Agency facilities using appropriate established physical facilities and services of other DoD components whenever practicable to achieve maximum efficiency and economy.

(c) Obtain such information, consistent with the policies and criteria of DoD directive 5000.19,<sup>1</sup> advice, and assistance from DoD components as he deems necessary.

(d) Exercise the administrative authorities contained in § 387.8 of this part.

[43 FR 32755, July 28, 1978. Redesignated and amended at 58 FR 39360, July 22, 1993]

#### § 387.6 Relationships.

(a) In the performance of his functions, the Director, DCAA, shall:

(1) Maintain appropriate liaison with other components of the DoD, other agencies of the executive branch, and the General Accounting Office for the exchange of information and programs in the field of assigned responsibilities.

(2) Make full use of established facilities in the Office of the Secretary of Defense, other DoD components, and other governmental agencies rather than unnecessarily duplicating such facilities.

(3) The military departments and other DoD components shall provide support, within their respective fields of responsibility, to the Director, DCAA to assist in carrying out the assigned responsibilities and functions of the Agency. Programing, budgeting and financing for such support will be in accordance with policies and procedures prescribed by the Assistant Secretary of Defense (Comptroller).

(b) Procurement and contract administration activities of the DoD components shall utilize audit services of the

<sup>1</sup> Copies may be obtained, at cost, from the National Technical Information Service, 5285 Port Royal Road, Springfield, VA 22161.